U.S. Department of Justice

United States Attorney

Eastern District of Virginia

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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Christian Kerodin, 36, of Alexandria, Virginia, pled guilty today to one charge of extortion and one charge of possessing an unregistered short-barreled rifle, which was one of several weapons removed from the defendant's residence following a search by agents of the United States Secret Service and the Bureau of Alcohol, Tobacco, and Firearms.

United States District Judge Gerald Bruce Lee set sentencing for March 26, 2003, at which time Kerodin faces a maximum sentence of 30 years imprisonment and a \$500,000 fine.

In May 2003, the defendant published a report on the Internet, "Terrorist Target List: American Retailers & Restaurants," which asserted that shopping venues are likely to be prime targets for terrorist attacks. In June, the defendant contacted officials of Simon and General Growth, including the Chief Executive Officers. The defendant said that he was planning to release another report that would be very critical of Washington, D.C. area mall security and would showcase The Fashion Centre at Pentagon City, a Simon property, and Landmark Mall and Tyson's Galleria, General Growth properties. Kerodin told the companies, however, that if they hired him to do security assessments, he would not include their names in the report. Officials from the companies spoke to the defendant, but he refused to provide the names of other clients for references or supply credentials for individuals who worked for his company. Kerodin said that he did not need experience to be an expert in counter-terrorism. Neither victim hired him.

On July 8, 2003, the defendant published on his Internet site, kerodin.info, a report titled "Terrorism Report: Washington, D.C. Shopping Mall Vulnerability." The report blasted several area shopping malls for being vulnerable to terrorist attacks, specifically criticizing the three malls owned by Simon and General Growth. On July 11, 2003, the defendant sent letters to the two CEOs, notifying them that his report had received attention from local and national media and had been widely circulated in the insurance, financial, and government policy sectors. The defendant threatened to release similarly negative reports on 14 Simon properties and 7 General Growth properties in San Francisco, New York, and Chicago and another Simon property, Mall of America, in Minnesota.

In response to the latest threat, mall officials contacted the United States Secret Service, an agency within the Department of Homeland Security. An agent posed as a vice-president of Simon and had several conversations with the defendant. Kerodin stated that he would still publish his

reports even if Simon hired another experienced counter-terrorism professional. He said that he would not, however, if Simon worked out an agreement with him. Kerodin was told that Simon was not interested in hiring him, because the company already employed experienced security professionals, and Kerodin had no training or experience in providing counter-terrorism services. The undercover agent, though, offered to pay Kerodin \$40,000 simply to keep Simon out of future reports. Kerodin rejected the offer and demanded \$122,500 before his arrest.

United States Attorney Paul J. McNulty said, "Citizens of this country have enough legitimate concerns about terrorist attacks. It is reprehensible when someone with no training or experience in counter-terrorism security measures threatens to instill fear among American shoppers unless the mall owners and managers pay him to keep quiet. Crimes of this nature must be prosecuted and the culprits punished."

The case was investigated by the United States Secret Service and the Bureau of Alcohol, Tobacco, and Firearms and was prosecuted by Assistant United States Attorneys Jack Hanly, Andrew Lelling, and Patrick Stokes, and Special Assistant United States Attorney Jennifer Dominguez.